Section S. R.

File No 9 of 1871

Serial No 1 – 8.

Application of R. N. Taylor for the monopoly of distilling spirits in Coorg.

1872

From

Capt. R. E. Taylor
Qr. M. Kearney Sub

Section S.R.	Dated	17th April
File No 9-1871	Received	19th April
Serial No 1	Registered	22nd April

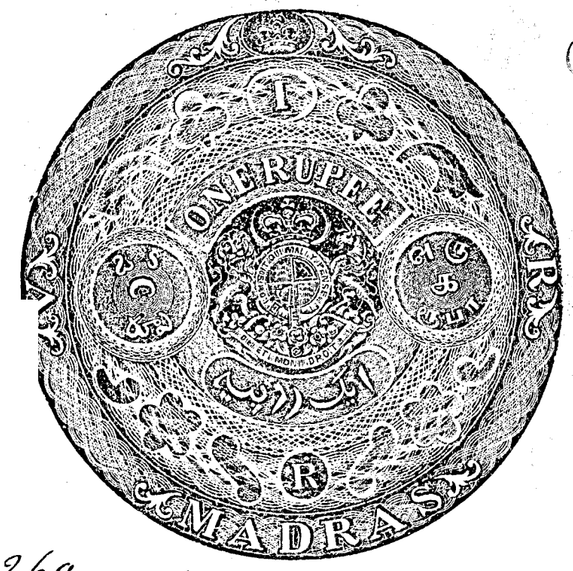
No. 267

Subject.

Applies for the
monopoly of boats
ing Point [illegible]
the whole Pass
of Corq.

Inclosed in 57/1

Inclosed in 57/1



(2)

269. From.

Captain R. N. Taylor.
Govt Abkary Contractor
Ashtun &c

To

The Chief Commissioner
of Mysore & Coorg.
Bangalore.

Sir

I have the honor to apply for
the monopoly of distilling Spirits for the
whole province of Coorg, in consequence of the
unsatisfactory working of the Native distille
and the continual trouble caused by them
to the Government officials

Knowing that a similar
arrangement is about to take plaice (the
monopoly to be granted to one distillery
at Paulhully, I trust you will also
see it to be to the advantage of
Government, and the country at large
to accede to my request

I am prepared to agree
to any reasonable terms, and to
give tangible security for the due
fulfillmen

~356. Zechariah

Windsor

Windsor 13-4-72

fulfilment of the same.

I have the honor to be
Sir
Your most obedient servt
pp Ralph N. Taylor
Govt Abbey Contractor

17th April 1872

Wm Tuincombe Davy

13.4.72

Examined
Stamped
Copied
Compared
Entered
Abstracted
Reports

J. Bell
Ass. Sec.

From 10/72

To The Registrar Ce

Dated Nundroom 20 Apr

Despatched 22 "

Received

Section S.R

File No 9-1871

Serial No 2

Enclosures No. 1

General No. 5 3

" No 7

18 72-73

I wounds for consid
=ation and report as
application was origin
No 269 of 1871 Inokenty
apts Taylor requesting
that the monopoly
distilling spirits in th
vince may be grant
him -

I have &c

Byrne

Mackay

20-4-72

Section S.R

File No 9-1871

Serial No 3

From [illegible]

To The Officiating Supt of Excise

Dated Kumbakonam 10 May 1872

Despatched 13th

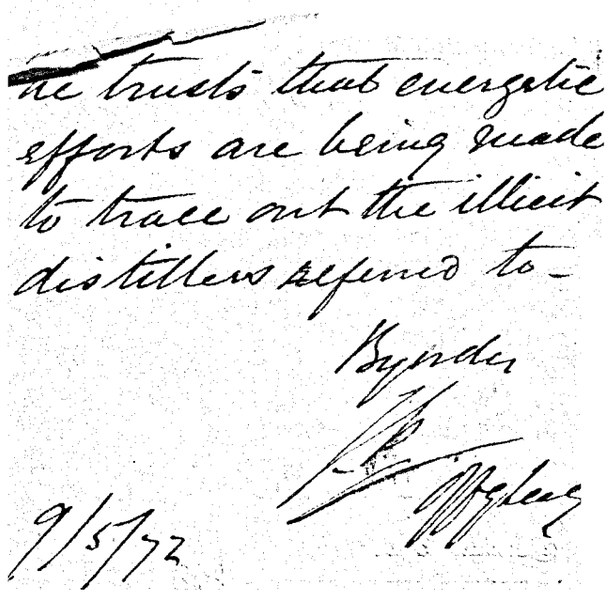
Received

Enclosures No.

General No. 101 / Year No. 15 } 1872-3

Upon letter R°-52 of the 3rd Instant requesting authority to withdraw the license for distillery arrack granted to Saleh Sobhannah in the Trayer-pett Toddy Distillery for the close of the current year and after giving him due notice -

Under the circumstances stated in the above, the Chief Commissioner has no objection to the course proposed, and



Section S.R

File No 9 - 1872

Serial No 4

Reply to Capt.

Taylor & enclo.

Despatch.

D. L.

Mr E.

Letter & Capt R.H. Taylor

& copy Despatch with

both respecting Wine Licenses

4/6/72

From

The Offg. Superintendent of Coorg.

To The Secretary to the
Chief Commissioner
Bangalore.

Dated 29th May.

Despatched 3rd June.

Received 3rd June.

Encl 1

No. 47

Reports on application for
Captain R. H. Taylor requesting
that the monopoly of dealing
in spirits in this Province
may be granted to him

Secretary with
enclosures.

To Chief Commr
4 June 1872

6-72

6.72 - Mr Lewis comm
thereon. Write to
the Secretary to
Govt & Superintendent
and thank them

No. 77

From

Coorg Superintendent's Offe

The Officiating Superintendent
of Coorg.

To.

The Secretary to the
Chief Commissioner
for the affairs of Coorg
Bangalore

Dated Mercara, 29th May 1872.

Sir,

With reference to your docket d
20th April 1872 No 57 forwarding for conse
tion and report an application dated 1
Idem No 269 from Captain R. H. Taylor
questing that the monopoly of distilling
spirits in the Province may be granted
to him, I have the honor to state that I am
doubtful whether it would be advisable
at present to grant such a monopoly a
that applied for, and it would I think
better to wait and see how the factory
Paulhully near Mysore works under th
new management before making any chan
in Coorg.

2. The factory at Paulhully is more
likely to succeed than one at Fraserpet
it has good machinery already set up

+ (herewith returned)

and jaggary) can be more easily procured than in Coorg. Indeed there seems no reason why if the factory at Palkully were well and energetically worked sufficient liquor should not be distilled to supply both Coorg and Mysore.

3. Should the Chief Commissioner however wish to grant a monopoly of distilling according to the European method in Coorg, there are other distillers who have stronger claims than Captain Saylor, and it would be not only fair to them but for the advantage of Government to call for tenders or to put the contract up to auction

I have the honor to be,
Sir
Your most Obedient Servant

H. V. Thomas

Offg Superintendent.

Encl

Section S.12
File No 9 - 1871
Serial No 5

From 1872.

To Capt. R. N. Jay
Gov. Abkaria Centrae

Dated Rundo 5th Abkagro 5 Jun

Despatched 6

Received

Enclosures No.

General No. 164
" No. 29
} 1872/3

Sir,

In reply to com
letter No 269 of the 19
April 1872 applying
for the monopoly
distilling spirits in
the Province of Cong
am directed by the
Chief Commr to inf
in that after full
consideration the Chief Commr sees
no objection
and that he is con
cessions unable

Genl. No. 165
145

Section 43 N
File No 9-1871
Serial No 6

1872

From

Capt. A. L. Taylor

Heretaga

Dated 22nd June
Rec'd. 25th June
Repd. 25th June

Makes enquiries p.
Journals with reference
to his recent application
for the appointment of
Interpreting Assistant in
the Province of Coorg.

7 Coorg Mahk.
10 Lupt. = Ongs. &
Work and Roads &
Capt Taylor S.P.
27.6.72

Rd
28/6/72

Sub: Distiller in Coorg

I

To
The Superintendent
& Chief Commissioner of
Coorg

I find that my late application
to become the sole Sub: Distiller of the
Province of Coorg was not sufficiently
explicit in its details as to causes
and effects as it should have been;
and I therefore beg permission to request
your further consideration of this subject
While entirely disclaiming any intention
to cause loss to the other Distillers -
I may briefly mention that the
causes for the application being made
at this particular time, arose first
from the fact that out of four
Distillers at Yelahully, three have
received notice to close their Stills at
the end of the year, in favor of the
remaining one:
Secondly - Districts in the Madras
Presidency have recently been assigned
to one Sub: Distiller
Thirdly - To introduce the system of
distilling Arrack by English machinery,
whereby a higher class of Spirit would
be produced, causing a proportionate
increase of Revenue by a higher rate of
Excise.
And lastly - to obviate the feeling

of

reservation of the right by Govt. to close any Still without any misconduct on the part of the Distiller, and without assigning any reason for removing him.

Taking the last reason first - I venture to submit that, assuming any change made in Sudder Distillery by the Head of a Province or Division with the sanction of the Chief Commissioner, is made solely under the belief that such change is of benefit to the interests of Govt., I think that when a Sudder Distiller can not be guilty of any misconduct in such capacity, he might with justice be allowed to such consideration from the Govt; as to be offered the option of assisting in furthering the interests which Govt: desire to secure, or of resigning his position as a Govt Distiller. For example, in my own case, whatever the benefit to Govt: which the Supt: of Coorg desires to attain by a change of any sort, in the Sudder Distillery, whether it be, a better and higher sort of Spirit, improved machinery, a higher rate of Excise, or any increase of Distillery Revenue; I would rather, as a Govt Distiller suffer temporary loss by shutting my Distillery for Govt: Distillers, than be subjected to the chance of receiving notice to close my Stills, without cause or reason assigned.

One of the Distillers in the Transpit

any late application & supplemental to, by enabling a further tender & even any change in Govt views in regard to this matter, provided only that I am secured against loss by removal (except for misconduct) within a certain term of years. I therefore to offer the following proposition for your consideration.

In the event of the Sudden Distillery system being continued, I would request that, if the removal of our Distillers be necessitated, the number of Distillers in Corp be restricted to four (in Bangalore with double our consumption there are only five) that we receive permission to introduce England Distillery Machinery by degrees that the Govt Excise & Sale of Spirit be regulated according to the degree of strength of Liquor above proof, as in Calcutta; and that we be nominated Govt Distillers for five years, subject to renewal of that appointment at the end of that time, if the Govt plans remain unaltered.

On the other hand, if a single Govt Distillery be required to introduce new capital, and machinery for the production of superior description of Arrack I am willing to undertake to supply the whole of Corp with Arrack of the quality & strength required for the same period of five years, and on the like condition.

Revenue is desired to be made fixed & certain, I shall be glad to take a Contract to supply all Coorg with Arrack, on free trade principles, at a rent, or fixed Excise, to Govt. of one Lac of rupees p Annum for 5 years, payable in 12 monthly instalments, security in Coorl, or Govt. pro notes, bond Rs 10.000; liable to forfeiture on failure to pay in any one instal: - the Govt: to allow me the use of Distillery buildings at Fraserpet free of rent, and to charge a regular scale of Excise fees for all retail Arrack Shops throughout the country. I may mention that the present system of putting up Arrack Shops to public Auction, is I believe disposed to the conditions of the Abkary Act, and one by which Govt will lose Revenue every year - In proof of which the amounts realised in 1870, 1871, & 1872, from the same retail shops in each year

There remains but one system to which the Govt: might class, viz: the system of selling the Contract by Auction to the highest bidder. This system, I submit is bad in theory and worse in practice. It would pretend to establish theoretically, that a thing is worth, what it will fetch: while practically it arouses (in the matter of Abkary) a species of unsound competition totally unconnected with real value, which sooner or later throws the Contract once more on the hands of Govt:, to be dealt with afresh, and almost to a certainty at a loss. For

and within my own knowledge the latest is that of the Guilsberry district in which the competition I allude to, raised the figures last year to 80.000 Rupees odd, this sold this year, for 3 years at 65. 000.

I have known out these proposition with the views of Government for, and the Chief Commissioner, that it is my desire (if the Govt: considers its own interests & requires a change of system) as a Govt: distillery * the profits by the licence accorded to him, to assist in the furtherance of their views; but with all diffidence I venture to add that in my opinion the Sudder Distillery system is the best for Govt, and for the Govt:; and I only ask that my licence may be permanent - as long as I conform to the rules and conditions laid down by Govt: from time to time

I have the honor to be
Sir
Your most Obedient Servant
Ralph W Taylor

Umritsar
22nd June 1872

June 25. 1872

Speaker

former Reports L.P.

W. Waiter for attention

H.P. 25-6-72

References put up and

submitted to Secretary

25 June 1872

W Hand

25/6/72 L.P.

27.6.72.

Name to be

struck off Register

Temporarily Register for

Temp - Send to Supt

for early report on

the vessels retained D.H.

Section D.Q
File No 9 - 1871
Serial No 8

Upway House,
Mercara,
Coorg. 22nd June 1872

My dear Puckle

When leaving the accompanying letter for Col Meadows, I beg you will kindly inform him that I purpose to do myself the pleasure of waiting upon him personally as soon as I can get to Bangalore and will be happy to give him the fullest information on all points connected with what I have now undertaken or with the working of the Abkari [illegible]

Section 8-R
File No 9 – (87)
Serial No 7

1872

To

The Offg. Secrett. Govt

Dated Bangalore 28th June

Despatched "

Enclosures No. Nil

General No. 217 } 1872–73.
Secr. No 29

Correspondence
ding with the Hon
ble Secrett to Govt. No. 165 dated
D 14
t Inst. regarding
he application of Capt
R. R. Taylor for the
monopoly of distilling
Spirits in the Province
t Coorg.

I intimate

2

Duplicate of the above, forwarding a further letter dated 22d. Decr. from Capt. Taylor, for report on the hints asked by him.

"By order,"

Wg. Decr.

3

Section B.R

File No 9-1871

erial No 8

1872.

The Offg. Superintendent of Coorg.

The Secretary to the
Chief Commissioner
Bangalore

ated 23rd } August
ched }

Encls. No 1

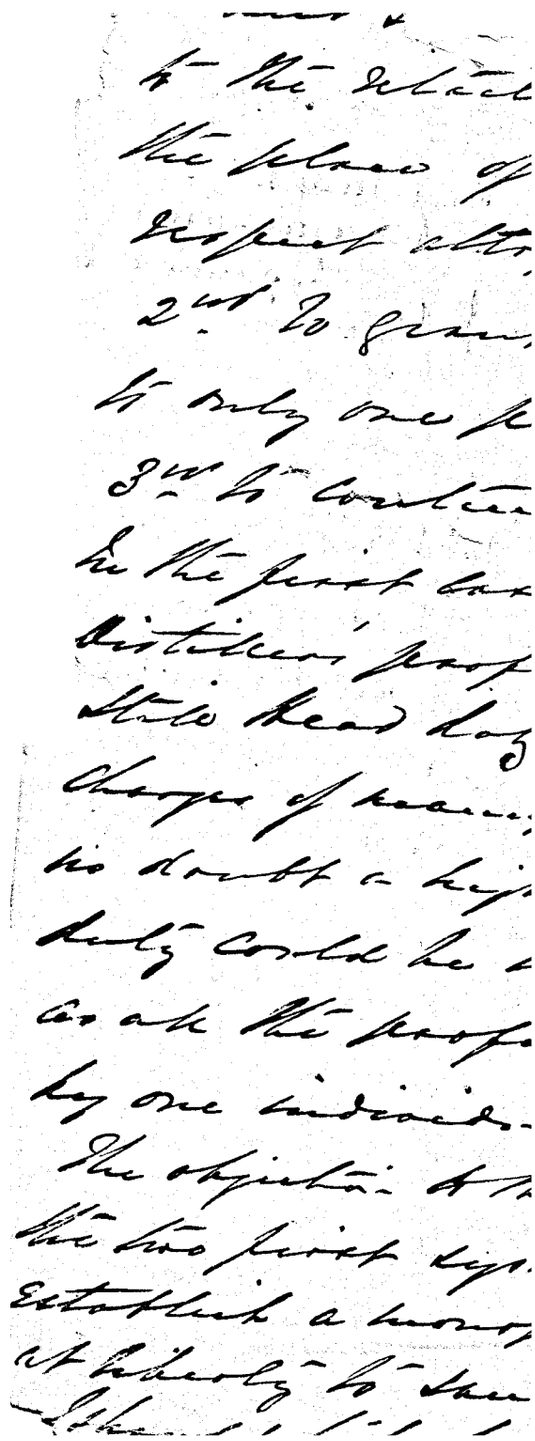
No. 167

Submits report
on Captain R. S.
Taylor's further appl
cation for a monopoly
distilling arrack in
Coorg.

Secretary with
reference.

29-8-72

To Chief Commr.
29.8.72



Coorg Superintendent's Office

From

The Offg. Superintendent
of Coorg

To

The Secretary to the
Chief Commissioner of Coorg
Bangalore

Dated 23rd August 1892

Sir,

With reference to your docket dated 20th June 1892 No 214/29 forwarding for report a further application from Captain R. A. Taylor for the monopoly of distilling spirits in Coorg, I am the honor to submit that since conversing with Mr Oldfield and examining with him the statistics connected with revenue from Abkari I have had reason to change the opinions expressed in my former letters, and I do not think it would be to the disadvantage of Government to grant a monopoly of distilling and whether such a monopoly be given or not there is no doubt that considering the cost of manufacturing arrack and the price at which the distillers sell it, there would be a fair profit left to the distiller or distillers if the still head duty were raised from Rupees 1-4-- to Rupees 2 per Imperial Gallon of spirits 30 degrees below proof.

2 The principle of having competition amongst the distillers is good, but it is very difficult to prevent them from combining

Amongst

amongst themselves and then the result is merely a monopoly in which the different distillers are partners.

3. The revenue from Abkari in Coorg has been raised during the last two years by the appointment of new distillers who have really competed with the men who had stills previously, but there are already symptoms of this competition being converted into combination, and when the inducement the distillers have to combine and enrich themselves at the cost of Government be weighed against the gratification they derive from opposing one another, it seems strange that they have not combined before.

4. With regard to the introduction of English machinery for distilling there is a prejudice amongst the Coorgs against liquor distilled according to the European method, and unless that feeling or taste be overcome the present system of distilling should not be changed.

5. If European Machinery were introduced spirit could easily be made above proof, and a higher rate of still head duty could be charged in proportion to the strength of the liquor. The arrack if above proof would of course be diluted before being issued to the retail shopkeepers, but there would meanwhile be a considerable saving in carriage between the Distillery and the wholesale shops; unless European machinery be introduced there is no necessity for making the rate of still head duty variable according to the strength of the liquor, as the distillers have some difficulty in making the liquor even 30 degrees below proof by the present process, and there is little fear of the

Government being defrauded by liquors above that strength being passed out of the Distillery.

5. Captain Taylor complains of the insecurity of the present position of the distillers in consequence of their being liable to have their stores closed at a years notice, but as no great outlay or investment of Capital is required to set up a still, the loss suffered by a distiller being obliged to close his still is more a forfeiture of future profits than an actual loss. There is however no reason why licenses for distilling should not be granted for five years instead of being issued annually, but the question of the advisibility of giving a monopoly of distilling should be first decided.

6. If the term of the license given to one or more distillers were extended to five years, it might be left optional with them to introduce English machinery and if a Distiller avail-ed himself of the option with the consent of Government he might be allowed to commence a new term of 5 years from the time he set up the machinery.

8. As to the terms on which a monopoly might be granted, the best plan would seem to be to levy Rs 5p. per Imperial Gallon as still head duty on liquor of 30 degrees below proof with permission to introduce English Machinery on the conditions mentioned in the preceding paragraph and if a stronger liquor be distilled to allow it to pass on payment of a higher rate of still head duty proportionate to the strength it would also be advisable to stipulate that any wholesale shops which the distiller might wish to have should be kept up at the

his expense and that a Government official to be styled an Amin on a salary of not less than Rs 15 p.m. per mensem should be maintained at the expense of the distiller for the supervision of each wholesale shop or depôt.

Another plan which could cause trouble but which would deprive Government of almost all control over the manufacture and distribut of the spirits would be to farm the Distillery and wholesale shops for a certain fixed sum, but no tender under Rs 1,40,000 should be received. Captain Taylor's offer of a lac is far too smal

Q. In the event of either of the plans mentio ed in the preceding paragraphs being adopte the distiller should be bound to supply the retail vendors with arrack at the rate of 10 annas a bottle and the licenses for the retail shops should be given at certain fixed sum as follows.

In Towns Rs 100 p.m. per annum
In pettahs Rs 50 p.m. "
In Villages Rs 25 p.m. "

The number of shops in each locality being regulated by the Superintendent of Cooly the present plan of putting the annual leases the shops upto Auction should be abandoned as it must entail loss of revenue as soon as competition ceases.

10. The Government should retain the power o allowing liquor to be imported either from Mys or the Western Coast on the payment of duty at same rate as that fixed for the still head duty. This may the manufacture of inferior liquor, one the dangers that would be incurred by a —

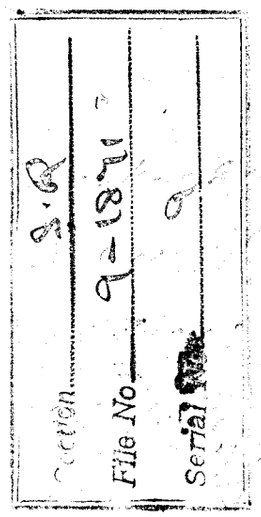
a monopoly, would be checked.

1. It would only be fair to the present di
tillers that the present system should be c
maintained upto the end of December 1893,
a monopoly be given that Tenders should
be called for and that they should have pre-
ference over Strangers provided they tender
the full amount demanded; at the same time
Government might intimate that it would
not bind itself to accept either the highest o
any Tender.

12. Captain R.N. Taylor's original
letter of 22nd June 1892 is herewith returned.

I have the honor to
Sir
Your most Obt Servt

A. Forman
Offg: Superintendent



No. 250 1872

The Offg. Supdt. Coast

Enc. 365/45

Dated
Recd } 3rd Sept.

Acknowledges receipt of Enc. 167 of 23d Ult. and conveys observations in connection with Capt. Taylor's application for the exclusive use of distilling water in Coast

this enables, except [illegible]
city that for the ma
manufacture of the
Spirits for [illegible] in
distillery.

8. The Limit entered
in para: 10 of your
letter could [illegible]
d for
leave [illegible]

[illegible]
[illegible]

[illegible]
2 Sept 1872

Genl Rr. 365
Rev: 45 } 1872/73

31

Coorg, Chief Comrs. Office
Bangalore, 3rd Sept. 1872

To

The Offg. Supdt. of Coorg

Sir,

With reference to your
letter Rr. 167 dated 23rd
ult. reporting on the
further application
from Capt. W. R. Lapp
for the monopoly of
distilling spirits in
Coorg, I am directed
by the Chief Comr. to
enquire how many
Distillers are employed
in providing Spirits in
Coorg, the quantity
sold by each and
their probable profits
2. There can be no ques-
tion regarding the ma-
intenance of the Sudde
Distillery, but Sir, the
three curses before a
mis

viz:,

1st To manufacture the liquor itself or bring a Contract and sell it at wholesale to retailers, taking in fact the place of the distillers in this respect altogether; — or

2nd To grant the right of distilling to only one person; or

3rd To continue the present system.

In the first case Govt would obtain the distillers profits in addition to the Still head duty, but would bear the charges of manufacture. — In the

higher rate of still head duty could be imposed than in the third, as all the profits would be received by one individual.

4. The objection to the adoption of either of the two first systems is that it would establish a monopoly, but Govt is quite at liberty to sanction it if it is pleased, and I am to request your opinion as to how the first would work in Corg.

5. There is an impression that the distillers profits are at present disproportionately low when compared with the Govt duty, and the

te latter should, the
Chief Comr. think,
certainly be raised,
te Distillers being
bound not to exceed
certain price in
their dealings with
te Retail Venders
6. With regard to the
sale by auction of the
Retail Shops, Col. Meade
concurs in your views,
but thinks it would
be preferable to have
3 rates of License
Fee, according to
te average daily or
monthly sale of liquor
say 20 - 40 - and 60
gallons.
7. The Chief Comr.
does not approve of
any farming in
their